



Department of Justice

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BRITISH STAMP DEALERS AND BRITISH COMPANY INDICTED ON BID-RIGGING CHARGES

WASHINGTON, D.C.--A federal grand jury in Manhattan today indicted two British stamp dealers and a British stamp company for conspiring to rig bids for stamps purchased at public auctions held in the United States and elsewhere, the Department of Justice announced.

The indictment, filed in U.S. District Court in Manhattan, charged Anthony Feldman, a British citizen; Stephen Osborne Ltd., a British corporation; and Stephen Osborne, a British citizen and president of Stephen Osborne Ltd., with conspiring to rig bids for the sale of stamps at public auctions from the early 1980s until at least June 1997. Feldman is also charged with bid rigging in 1999, and Stephen Osborne and his company are charged with bid rigging in 2000.

This is the third case stemming from the Department's ongoing antitrust investigation involving collusion by stamp dealers at auctions. Stamps are often sold at public auctions at which the highest bid price determines who will purchase the stamps. Auction houses located throughout the U.S. and Europe hold periodic auctions for stamp lots.

According to the charges, Anthony Feldman, Stephen Osborne Ltd. and Stephen Osborne, and their co-conspirators carried out the bid-rigging schemes by participating in secret pre-auctions to determine which stamp dealer would be the bidder for specific lots of stamps at the subsequent public auction; by agreeing not to bid at public auctions against other stamp dealers who submitted the highest bid price at the pre-auction; and by making payments to stamp dealers who agreed not to bid at public auctions when they were not the high bidder at the pre-auction.

“By rigging bids of auctioned stamp lots, stamp dealers eliminated competition and, thus, the right of collectors to obtain stamps at fair and competitive prices,” said James M. Griffin, Deputy Assistant Attorney General in charge of the Antitrust Division’s Criminal Enforcement Program.

On January 28, 2002, Earl P.L. Apfelbaum Inc. and John Apfelbaum pleaded guilty to conspiring to rig bids for stamps sold at public auctions. On April 16, 2002, Davitt Felder Inc. and Davitt Felder pleaded guilty to conspiring to rig bids for stamps sold at public auctions. Sentencing in these cases has not yet occurred.

Anthony Feldman, Stephen Osborne Ltd. and Stephen Osborne are charged with violating Section One of the Sherman Act which carries, per count, a maximum fine of \$10 million for a corporation and a maximum penalty of three years imprisonment and a maximum fine of \$350,000 for an individual. The fine may be increased to twice the gain derived from the crime or twice the loss suffered by the victims of the crime, if either of those amounts is greater than the statutory maximum fine.

The investigation is being conducted by the Antitrust Division’s New York Office and the New York office of the Federal Bureau of Investigation.

Anyone with information concerning bid rigging at stamp auctions should contact the New York Office of the Antitrust Division at (212) 264-0383.

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